

Outlines a Path to Progress on Compensation, Speculation, Job Creation

Washington DC - In response to President Barack Obama's budget released yesterday, the Populist Caucus officially endorsed its Blueprint for Recovery, which presents a four-pronged approach to strengthening America's economy by creating jobs and reducing the national deficit. To prevent future economic crises like the one America is currently working its way out of, the Blueprint for Recovery discourages risky Wall Street trading practices and demands greater corporate responsibility from the banks that were bailed out by America's middle class families last year.

"As members of the House Populist Caucus, we believe that strong, immediate action must be taken to create jobs in the United States and put a stop to Wall Street's "Too Big to Fail" philosophy," stated the endorsement. "We believe that this Blueprint for Recovery will ensure a path towards a fully recovered and job-friendly economy."

"Americans are fed up with outrageous bonuses paid to Wall Street executives who drove our economy over the cliff. Americans are sick and tired of watching their jobs shipped overseas while excessive speculation from Wall Street traders jeopardizes their retirement savings," said Populist Caucus Chairman Bruce Braley. "That's why the key to any successful recovery for America's middle class consists of addressing three priorities: compensation, speculation and job creation. The Populist Caucus has endorsed this Blueprint for Recovery, and if President Obama is serious about strengthening America's middle class families, he should demand the following immediate action from Congress."

The Populist Caucus Blueprint for Recovery addresses the issues of Compensation, Speculation and Job Creation by endorsing the following four pieces of legislation:

Compensation: For too long Wall Street executives have received excessive executive compensation while Main Street continues to suffer high unemployment. The Populist Caucus urges Congress to pass Congressman Peter Welch's *Wall Street Bonus Tax Act* (H.R. 4426). Under this legislation, the amount of bonus compensation in excess of \$50,000 paid to an employee at a TARP institution will be taxed at 50 percent in 2010. It has been reported that this could generate as much as \$3.2 billion in revenue. This revenue would be used to fund a direct lending program within the Small Business Administration to quickly and effectively provide small businesses with access to the credit they need to survive, grow, and create jobs.

Speculation: Despite a lack of job growth, Wall Street traders continue to practice excessive and risky speculation. This excessive speculation has led to higher Wall Street profits with no focus on Main Street Job Creation. The Populist Caucus urges Congress to pass Congressman Peter DeFazio's *Let Wall Street Pay for the Restoration of Main Street Act* (H.R. 4191). This legislation would institute a small transaction fee on stock transactions. This fee would create approximately \$150 billion in revenue-half of which would go toward a Job Creation Trust Fund and the other half toward reducing the deficit. This transaction fee would not affect middle class families because retirement accounts, health savings accounts, education savings accounts and the first \$100,000 of transactions annually would be exempted.

Job Creation: A "jobless recovery" is not a recovery for the middle class. With a national unemployment rate hovering around 10 percent, it's clear America's middle

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ass families are still struggling to make ends meet.

That's why Congress needs to take the following two-pronged approach to creating good-paying jobs that can't be outsourced:

Public-Private Infrastructure Investment: Congressman Keith Ellison recently co-introduced the *National Infrastructure Development Bank Act* (H.R. 2521). This legislation would create a new program that allows private sector investors to objectively consider a wide range of infrastructure-transportation, environmental, energy and telecommunications-projects and leverage private funds to invest in those of significance with clear economic, environmental and social benefits. In recent years, the private sector has raised over \$100 billion in dedicated infrastructure funds. However, most of these funds are being invested outside of the U.S. This legislation would ensure that we are investing infrastructure funds in the United States.

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Buy American: Congressman Dan Lipinski has introduced the *Buy American Improvement Act* (H.R. 4351). This legislation will eliminate loopholes in existing domestic sourcing laws and ensure that taxpayer money is used to purchase American-made products and support American jobs whenever possible. Congressman Lipinski's bill will ensure by using American made products whenever possible we are retaining and creating good paying jobs in the U.S.

These four common-sense bills will make an enormous impact on the quality of life for middle class families. They also represent true populist policies that are about building America up - not tearing it down. It's about giving voice to the legitimate concerns of Americans who make the America great: the right to a decent education, a good-paying job, access to quality and affordable health care, fair-trade policies and consumer protection from powerful corporations.